

Senate, March 30, 1998. The Committee on Insurance and Real Estate reported through SEN. BOZEK, 6th DIST., Chairman of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING NOTICE OF TRANSFER OF INSURANCE POLICIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 (NEW) Each property and casualty insurer
2 which at the time of policy renewal, transfers any
3 policy to an affiliate as a result of a merger or
4 acquisition of control, shall provide notice to
5 policyholders at least sixty days prior to the
6 effective date of transfer. Such transfer shall
7 not require a nonrenewal of the policy.

8 INS COMMITTEE VOTE: YEA 18 NAY 0 JF

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION AND DO NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."

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FISCAL IMPACT STATEMENT - BILL NUMBER SB 402

STATE IMPACT	Potential Minimal Workload Decrease (Insurance Fund), see explanation below
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MUNICIPAL IMPACT	None
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STATE AGENCY(S)	Department of Insurance
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EXPLANATION OF ESTIMATES:

STATE IMPACT: The bill requires property and casualty insurers to give policyholders at least 60 days advance notice when they transfer policies at the time of renewal to an affiliate because of a merger or acquisition of control.

There is no impact on the Department of Insurance as a result of the passage of this bill.

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OLR BILL ANALYSIS

SB 402

AN ACT CONCERNING NOTICE OF TRANSFER OF INSURANCE POLICIES

SUMMARY: This bill requires property and casualty insurers to give policyholders at least 60 days advance notice when they transfer policies at the time of renewal to an affiliate because of a merger or acquisition of control. If notice is provided, the transfer does not require nonrenewal of the policy.

EFFECTIVE DATE: October 1, 1998

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Report

Yea 18 Nay 0